TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

NOTICE IS HEREBY GIVEN that the Fair Political Practices Commission (the Commission), under the authority vested in it under the Political Reform Act (the Act)¹ by Section 83112 of the Government Code, proposes to adopt, amend, or repeal regulations in Title 2, Division 6 of the California Code of Regulations. The Commission will consider the proposed regulation at a public hearing on or after **January 17, 2019**, at Oakland City Hall, 1 Frank Ogawa Plaza, Hearing Room 1, Oakland, California commencing at approximately **10:00 a.m.** Written comments must be received at the Commission offices no later than **5:00 p.m.** on **January 15, 2019**.

BACKGROUND/OVERVIEW:

The Commission's Streamline Settlement Program was established for the Enforcement Division's prosecution of those violations with a lesser degree of public harm. A large percentage of cases before the Commission are resolved through the existing Streamline Settlement Program. For instance, 77% of all cases presented to the Commission in 2017 were resolved through the program. Violations currently included in the program include:

- SEI Non-Filer.
- SEI Non-Reporter.
- Campaign Statement/Report Non-Filer.
- Campaign Statement/Report Non-Reporter.
- Lobbyist/Lobbying Firm/Lobbyist Employer/Lobbying Coalition/\$5,000-Filer Report Non-Filer.

Currently, the Enforcement Division has discretion to include or exclude any case from the program based upon mitigating and aggravating circumstances. Aggravating circumstances include: prior non-filing/non-reporting history, prior Enforcement prosecutions, or accompanying violations. Mitigating circumstances include: no longer in office, illness, level of sophistication, or other extenuating circumstances.

REGULATORY ACTION:

Adopt 2 Cal. Code Regs. Sections 18360.1 and 18360.2.

Proposed Regulations 18360.1 and 18360.2 are intended to codify the Commission's Streamline Settlement Program. In considering Regulations 18360.1 and 18360.2, the Commission

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

may consider any issues pertaining to the implementation of the Streamline Settlement Program including, but not limited to, the following:

- Types of violations included in the program.
- Factors for participation in the programs such as mitigating or aggravating circumstances.
- Penalty amount and structure.

SCOPE: The Commission may adopt the language noticed herein or it may choose new language to implement its decisions concerning the issues identified above or related issues.

FISCAL IMPACT STATEMENT:

<u>Fiscal Impact on Local Government.</u> This regulation will have no fiscal impact on any local entity or program.

<u>Fiscal Impact on State Government.</u> This regulation will have no fiscal impact on any state entity or program.

<u>Fiscal Impact on Federal Funding of State Programs.</u> This regulation will have no fiscal impact on the federal funding of any state program or entity.

AUTHORITY: Section 83112 provides that the Fair Political Practices Commission may adopt, amend, and rescind rules and regulations to carry out the purposes and provisions of the Act.

REFERENCE: Section 83116.5, Government Code.

CONTACT: Any inquiries should be made to Ryan O'Conner, Fair Political Practices Commission, 1102 Q St., Suite 3000, Sacramento, CA 95811; telephone (916) 322-5660 or 1-866-ASK-FPPC. Proposed regulatory language can be accessed at http://www.fppc.ca.gov/the-law/fppc-regulations/proposed-regulations-and-notices.html.